GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2742
ANSWERED ON:17.03.2017
Banking Services in Rural Areas
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government has taken note of lack of banking facilities in unserved rural/backward/hilly/remote areas;
(b) if so, the details thereof along with the norms/guidelines laid down by the Reserve Bank of India for opening of bank branches in said areas;
(c) the total number of branches opened by public and private sector banks along with the number of the branches opened in unserved rural, backward, hilly and remote areas during the last three years and the current year, bank and State/UT-wise;
(d) whether the Government provide banking facilities through post offices and if so, the details thereof; and
(e) the steps taken/being taken by the Government for opening of bricks and mortar
banks in each of unbanked gram panchayats so as to ensure banking facilities to
each household of the country?

Answer

The Minister of State in the Ministry of Finance

(a) to (e) To promote financial inclusion and to expand the banking network in unbanked areas, general permission has been granted by Reserve Bank of India (RBI) to domestic Scheduled Commercial Banks (SCBs) including Public Sector Banks (excluding Regional Rural Banks) to open branches at any place in the country, without seeking prior approval of RBI in each case, subject to at least 25 percent of the total number of branches opened during a financial year being opened in unbanked rural (Tier 5 and Tier 6) centres (population upto 9999). RBI has also specified that the total number of branches opened in Tier 1 centres (population 100000 and above) during the financial year cannot exceed the total number of branches opened in Tier 2 to Tier 6 centres (population upto 99999) and all centres in the North Eastern States and Sikkim. As on 30.09.2016, out of 134750 total bank branches of SCBs, 85043 bank branches are in rural and Semi-urban areas. State-wise number of bank branches opened by Public Sector Banks during the last three years and the current year is given in Annexure. India Post Payment Bank (IPPB) has been granted a banking license from the RBI on the 20th Jan 2017 and has launched banking facilities in Ranchi and Raipur.
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Annexure
Number of branches opened by public sector banks in unbanked rural centers during 2013-14, 2014-15, 2015-16 and 2016-17 (1.4.2016 to 30.9.2016)

STATE/UT	2013-14	2014-15	2015-16	2016-17
ANDAMAN & NICOBAR IS	1	1		
ANDHRA PRADESH	81	70	45	10
ARUNACHAL PRADESH	1	2		
ASSAM	43	11	8	1
BIHAR	113	54	22	3
CHANDIGARH	1			
CHHATTISGARH	24	17	25	8
DADRA & NAGAR HAVELI	1	1	1	1
GOA	7	4	1	
GUJARAT	91	68	37	10
HARYANA	54	51	14	3
HIMACHAL PRADESH	34	30	18	5
JAMMU & KASHMIR	3	1		
JHARKHAND	40	33	18	15
KARNATAKA	188	114	59	14
KERALA	3	3	6	
MADHYA PRADESH	58	35	11	7
MAHARASHTRA	145	65	55	13
MANIPUR	3			
MEGHALAYA	2	2		
MIZORAM	1	1	2	
NAGALAND	1	1		
NCT OF DELHI	9	2		
ODISHA	87	77	46	16
PUDUCHERRY	3			

PUNJAB	111	88	34	5
RAJASTHAN	92	90	67	5
SIKKIM	1			
TAMIL NADU	109	75	35	7
TELANGANA	39	39	23	4
TRIPURA	3	1		
UTTAR PRADESH	521	188	96	9
UTTARAKHAND	23	28	7	3
WEST BENGAL	106	91	20	7
ALL INDIA	1,994	1,242	654	148

Source: RBI